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8 Attorneys for Plaintiffs  
9 HENDERSON LINE LIMITED; EXEL  
10 TRANSPORTATION SERVICES INC.;  
11 EXEL GLOBAL LOGISTICS INC.

12 UNITED STATES DISTRICT COURT

13 IN AND FOR THE NORTHERN DISTRICT OF CALIFORNIA

14 HENDERSON LINE LIMITED, EXEL ) Case No.: C06-2641 MMC  
15 TRANSPORTATION SERVICES INC. and )  
16 EXEL GLOBAL LOGISTICS INC. )  
17 Plaintiffs, ) **[PROPOSED] ORDER FOR SALE**  
18 vs. ) **OF CARGO IN REM**  
19 CERTAIN MARITIME CARGO FORMERLY )  
20 TRANSPORTED IN TWO MARINE )  
21 SHIPPING CONTAINERS NUMBERED )  
22 YMLU4890420 AND TEXU3615179, *in* )  
23 *rem,* )  
24 Defendant. )  
25 \_\_\_\_\_)

26 The *ex parte* application of plaintiffs, HENDERSON LINE  
27 LIMITED, EXEL TRANSPORTATION SERVICES INC. and EXEL GLOBAL  
28 LOGISTICS INC. (collectively, "EXEL") for entry of default,  
default judgment and order for sale of came regularly before this  
Court. The Court has granted EXEL's Ex Parte Application for

1 Entry of Default, Default Judgment, and Order for Sale of the  
2 defendant SUBJECT CARGO in rem. **Therefore, for good cause**  
3 **appearing, IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

4 1. The SUBJECT CARGO is hereby condemned to be sold by the  
5 United States Marshal for the Northern District of California.  
6 The sale shall take place on the next business day following  
7 satisfaction of the Notice of Sale requirements set forth in  
8 Admiralty Local Rule 9-2(a), at the hour of 10:00 a.m., or as  
9 soon thereafter as the SUBJECT CARGO may be sold. The location  
10 of the sale shall be 99B South Hill Drive, Brisbane, California,  
11 Telephone Number 415-467-4500. The sale shall be in accordance  
12 with the Marshal's rules and regulations governing such sales.

13 2. Upon application by EXEL, the Clerk of the Court shall  
14 issue a Writ of Execution for the Sale of the SUBJECT CARGO.

15 3. A Notice of Sale shall be published by the United  
16 States Marshal in "THE RECORDER" in accordance with Admiralty Local  
17 Rule 9-2(a) for at least six (6) days prior to the date of sale  
18 of the SUBJECT CARGO.

19 4. EXEL may, at its option, effect such other  
20 advertisement as can be secured at a reasonable cost, and the  
21 expense of such advertisement is hereby approved as an  
22 administration expense, to be added to the Judgment, and  
23 recoverable from the proceeds of sale of the SUBJECT CARGO.

24 5. The United States Marshal shall conduct the sale of the  
25 SUBJECT CARGO in such a manner that all bidders are identified  
26 and qualified to the satisfaction of the Marshal, prior to the  
27 conclusion of the sale. Following the opening bid, if any, the  
28

1 Marshal shall only accept succeeding bids in minimum increments  
2 of \$1,000.00.

3       6. The SUBJECT CARGO shall be sold on an "AS IS, WHERE IS"  
4 basis at a public auction to the highest bidder, free and clear  
5 of all liens and encumbrances.

6       7. Except as otherwise provided herein, the successful  
7 bidder will be required to pay to the United States Marshal in  
8 accordance with Admiralty Local Rule 9-2(b) as follows:

9             (a) at least ten percent (10%) of the price by cash,  
10 certified check or cashier's check payable to the  
11 "United States Marshal" and drawn on a federal or state  
12 chartered bank in good standing, prior to the close of  
13 the auction; and

14             (b) the remaining up to ninety percent (90%) of the  
15 price bid by cash, certified check or bank cashier's  
16 check payable to the "United States Marshal" drawn on a  
17 federal or state chartered bank in good standing, prior  
18 to the confirmation of the sale by the court, or within  
19 three (3) days of the dismissal of any opposition which  
20 may have been filed, exclusive of Saturdays, Sundays  
21 and legal holidays.

22       8. Notwithstanding the foregoing, EXEL, or its designee,  
23 shall be permitted to attend the sale and bid in the full amount,  
24 or any part, of the Judgment in this action, without need for  
25 EXEL to make payment of any cash or check.

26       9. At the conclusion of the sale, the Marshal shall file a  
27 written report to the Court of the fact of sale, the price  
28 obtained and the name and address of the buyer. The clerk of the

court shall endorse upon such report the time and date of its filing. If within 3 days, exclusive of Saturdays, Sundays and legal holidays, no written objection is filed, the sale shall stand confirmed as of course pursuant to Admiralty Local Rule 9-2 (c), without the necessity of any affirmative action by the Court, and the Clerk upon request shall so state to the Marshal in writing, provided that the buyer has complied fully with the terms of purchase.

9       10. The proceeds shall be deposited in the registry of the  
10 Court, after deduction of the Marshal's commissions and costs,  
11 and will be held there pending further order of the Court.

11. Prospective bidders, upon written application to the  
Substitute Custodian, Exel Global Logistics Inc., Attention Dale  
Ezell, 99 B South Hill Drive, Brisbane, CA 94005, may make  
arrangements on the day prior to the sale, or on such other date  
as is convenient to the Substitute Custodian, for the purpose of  
inspection of the SUBJECT CARGO prior to sale, provided that it  
shall be at the sole risk and expense of such person making the  
inspection.

21 DATED: June 12 , 2006

Majine M. Cheney  
United States District Court Judge